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# Size and Composition of Consumer Saving

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This article summarizes data on the size and composition of consumer saving during 1963 for the population as a whole and for age, income, and occupation groups.<sup>1</sup> Consumer saving, as defined for the Survey, is the net investment by consumer units in the assets and changes in debts shown in the table on composition of saving (page 44). The consumer units of the Survey are the total of families and unrelated individuals as defined by the Census Bureau.

In Table 2 changes in debts secured by assets are incorporated in the appropriate asset change. Payment of mortgage debt, for example, is counted as saving in home inasmuch as it adds to the homeowners' equity. Debts not secured by assets covered in the Survey are shown separately. For some forms of saving, such as changes in bank accounts or in debts owed, saving consists of changes in balances from the end of 1962 to the end of 1963; for others such as investment in publicly traded stock and in real estate, saving is measured by market transactions during the year. Saving is the

result of disposition of funds available to the consumer unit and does not reflect changes in market value of assets such as securities or real estate.

## SIZE OF SAVING

There is a great deal of variation in the amounts consumers save. More than half of all consumer units saved amounts ranging from \$100 to \$5,000; saving of \$5,000 or more was reported by only 5 per cent. At the other extreme, 2 per cent dissaved—went into debt or drew down assets—\$5,000 or more, and 6 per cent dissaved at least \$1,000 but less than \$5,000 (Table 1).

Saving is positive when increases in the asset components plus the repayments of the debts exceed the decreases in the assets and the incurrences of new debts. For 62 of 100 consumer units there was positive saving of \$100 or more during 1963.<sup>2</sup> Negative saving, or dissaving, is the result of drawing down assets and incurring debt in excess of amounts used to increase assets and to repay debt. Twenty-one per cent of all consumer units were dissavers of at least \$100 during 1963. The remaining 17 per cent had no saving or dissaving or had such small amounts—that is within a range of \$100—as to be negligible.

When consumer units are grouped by the size of their incomes, the influence of income on size of saving can be seen. For example, more than one-half of the units with incomes of \$25,000 or more saved at

NOTE.—This article was prepared by Judith K. Schoenberg, Gertrude S. Weiss, and Natalie C. Strader, under the general direction of Dorothy S. Projector, of the Division of Research and Statistics of the Board of Governors of the Federal Reserve System.

<sup>1</sup> The data were obtained in the Survey of Changes in Family Finances by interviewing again in the spring of 1964 the consumer units who had cooperated a year earlier in a nationwide survey of wealth. Results and methodology of the wealth survey are published in Dorothy S. Projector and Gertrude S. Weiss, *Survey of Financial Characteristics of Consumers* (Board of Governors of the Federal Reserve System, August 1966). Both surveys were conducted by the Bureau of the Census for the Board of Governors. Detailed analysis and evaluation of the saving survey data will be presented in a later report.

<sup>2</sup> Those saving or dissaving under \$100 have been combined in Table 1 with those having no saving or dissaving. The proportions with positive and negative saving of \$1 or more are shown in Table 2.

least \$5,000 in contrast to the 5 per cent of all units as previously noted. Similarly, saving of \$5,000 or more was reported more frequently by those in the middle age brackets when earning power is generally higher than in either the youngest or the oldest age groups.

#### COMPOSITION OF SAVING

For the population as a whole, the largest components of saving were increases in equity in automobiles and in own homes, and in liquid asset holdings.

**Automobile.** More than one-third (37 per cent) of total saving by all consumer units is owners' equity in automobiles. Saving in the form of automobile equity is calculated as the purchases less trade-ins and sales of automobiles and less change in automobile instalment debt from December 31, 1962, to December 31, 1963. Of all consumer units 41 per cent were savers in automobile equity with only 4 per cent being dissavers—that is, sales and/or increased debt were greater than value of purchases and/or debt repayment.

The large amount of saving in automobile equity was in sharp contrast to the small proportion of consumer wealth in that form. Only 3 per cent of consumer wealth consisted of automobile equity and the proportion was even smaller in high-income groups. For saving, changes in automobile equities amount to more than do any of the other forms. Moreover, even among those with incomes of \$25,000 or more, increased automobile equities were almost one-fifth of total saving.

**Own home.** The second largest portion of saving, saving in the form of equity in one's own home, accounts for 27 per cent of the total. Saving in home equity takes account of home purchases plus improvements less

sales and less change in debt secured by homes from December 31, 1962, to December 31, 1963. Both principal residences and vacation homes are counted in the total of saving in home equity. For most consumer units the increase in home equity is explained by mortgage payments. For example, 34 per cent of all units had positive saving in own home and 29 per cent positive saving in the form of mortgage debt payment. Included in the equity estimate, however, are the large changes in equities resulting from the purchases or sales of homes by relatively small numbers of units. As a result, the population as a whole incurred more mortgage debt than it paid off. (See Table 4.)

**Liquid assets.** Consumer saving in liquid assets is almost equal in amount to saving in home equity. For no other kind of saving are both savers and dissavers so frequent—45 per cent of all consumer units saved in this form and 31 per cent dissaved.

Saving in the form of liquid assets, which results from changes in balances in checking and savings accounts and holdings of U.S. savings bonds, accounts for 26 per cent of total consumer saving. Those who saved as a result of increasing balances in savings accounts (36 per cent) outnumbered those who dissaved (21 per cent) as a result of decreasing balances in savings accounts. Nearly three-fourths of liquid asset saving is in savings accounts. Changes in checking account balances made a much smaller contribution to consumer saving during the year. About one-fourth (27 per cent) of all consumer units increased the balances in their checking accounts, and another one-fourth (26 per cent) decreased these balances. Saving or dissaving in the form of U.S. savings bonds was less frequent.

**Investment assets.** For the year 1963 the Survey found that consumers dissaved in the

form of publicly traded stock in that net purchases were offset by negative saving in debt secured by stock. Saving in the form of publicly traded stock was reported by 6 per cent and dissaving by 3 per cent of all consumer units. Transactions were much more frequent in the higher income and net worth groups where holdings of publicly traded stock are concentrated. Saving in publicly traded stock is the net of purchases minus sales of publicly traded stock (common stock, preferred stock, shares in mutual funds and other investment companies, and share in investment clubs) plus changes in credit balances at security dealers from December 31, 1962, to December 31, 1963, less change in debt secured by stock from end of 1962 to end of 1963 (debit balances at security dealers and loans secured by stock).

For analysis several other forms of saving were grouped with publicly traded stock to compose a total of saving in investment assets. The largest amount of saving in investment assets was in the form of businesses not managed by the unit. Such saving is the sum of changes in the unit's equity in farm and nonfarm partnerships and closely held corporations in which no member of the unit was active in management and of changes in loans made by the consumer unit to such businesses. Very few saved in this way.

In real estate, on the other hand, savers were somewhat more numerous, undoubtedly because of the varied kinds of property covered. Of all consumer units, 5 per cent were positive savers in the form of equity in investment real estate and another 2 per cent were dissavers. Such saving includes purchases of real estate (other than own homes and real estate connected with a business or profession) plus improvements to such

real estate, less sales, taking account also of the change in the debt.

Saving in the other forms of investment assets—namely marketable securities other than stock, mortgage assets, and company savings plans—is small and infrequently reported. Even in the top income class only 1 in 10 units reported net saving or dissaving in marketable securities other than stock. Saving in company plans includes employee contributions to various types of deferred income plans, but not to retirement plans. To dissave in this form one must withdraw money from the plan, which is seldom done except by those leaving the company.

**Retirement plans.** Employee contributions to retirement plans accounted for 5 per cent of total saving. Saving in retirement plans, which was reported by 17 per cent of all units, includes employee contributions to Federal and State as well as private pension plans less lump sum withdrawals. It does not include social security tax deductions.

**Business, profession.** Like ownership of business, business saving is not widespread; 8 per cent reported positive saving and 5 per cent reported dissaving. Also, like business ownership, business saving is more frequently reported in the upper portion of the income scale than in the population as a whole. Counted as businesses were professions, farms, and other businesses in which a member of the consumer unit was active in management. Business saving consisted of the respondent's share of change in the book value of the business during the year, plus investment in new businesses, less sales of businesses, and plus changes in loans made by the unit to such businesses.

**Debt.** In estimating saving for each consumer unit, changes in debt owed are taken into account; a net increase in debt results in dissaving and a net decrease in debt results

in saving. For debts secured by specific assets, such as homes, automobiles, or publicly traded stock, change in debt secured by each asset is counted as part of saving in the form of that asset. Accordingly, a large portion of the change in debt is presented in Tables 2 and 3 as part of the equity changes. These debt changes are also shown separately in Table 4.

Consumer units reporting in the Survey had dissaving in unsecured debt; that is, increases in amounts owed were larger than amounts repaid. Net increases in unsecured debt—dissaving—were reported by 25 per cent and net decreases in debt—saving—by 33 per cent of all consumer units. Installment debt other than automobile debt, noninstallment debt, and debt on life insurance were classified as unsecured debt.

#### DIFFERENCES AMONG GROUPS IN SIZE AND COMPOSITION OF SAVING

The way in which income, age, and occupation are related to the size and composition of wealth has been shown in the wealth survey. For example, the lowest income class has a much larger proportion of older units than do the others, and older units as a group differ from younger units in the size and composition of their wealth. Hence a comparison of the size and composition of wealth in the lowest income group with other income groups reflects both income and age differences. The remainder of this article describes the size and composition of saving for consumer units grouped by income, size of net worth, age, and employment status of the head of the unit. The analyses needed to isolate the effect of age and other factors on the saving/income relationship will be presented in a subsequent report.

**Income groups.** In the lowest income group, consumer units who saved or dissaved

nothing or only small amounts predominated. The group as a whole dissaved because of the decreases in equities in homes and businesses on the part of small proportions of the consumer units in the group. This low-income group also incurred more unsecured debt than it paid off; 18 per cent had net increases in unsecured debt, 22 per cent had net decreases. The group added to its liquid assets, although a smaller proportion, 21 per cent, had net additions to liquid assets than the 28 per cent that had net decreases in liquid assets.

The saving behavior of the low-income group is affected by the disproportionate number of the oldest consumer units; nearly half of the low-income consumer units have heads age 65 and over. Accordingly, decreased equities in homes for the group as a whole resulted from home sales, which were not balanced during the year by substantial downpayments for newly acquired homes or mortgage reductions—to be expected in a group that includes a large proportion of older people. As was shown in the analysis of wealth holdings, older units are likely to own homes and to own them free of debt.

The group with incomes of \$25,000 or more provides a contrast in saving behavior to the lowest income group. At this high income level virtually everyone had saving or dissaving of \$1,000 or more. The saving of the top income group was distributed over a variety of assets. The group as a whole ended the year with saving that averaged \$6,530 per consumer unit, of which 39 per cent was an increase in equities in businesses in which members of the unit were active in management. While business investment accounted for a substantial share of the wealth of the top income group, the share of current saving invested in business

was even larger. Of the units in this top income group, 28 per cent were savers and 9 per cent were net dissavers in business during the year.

Holdings of publicly traded stock tend to be concentrated in the upper portion of the income distribution. In the group with incomes of \$25,000 and over, total dissaving exceeded saving in publicly traded stock, even though positive savers were more numerous than dissavers—38 per cent were savers; 20 per cent, dissavers. In this income group dissaving is the result of increases in debt secured by stock. (See Table 4.)

Homes and automobiles, which are so important in the saving of the lower and middle income classes—accounting for as much as 70 to 80 per cent of their saving—are only 35 per cent of the saving of the top income group. Another 23 per cent of the saving of this group is in liquid assets and almost 60 per cent of the liquid asset saving is in accounts in savings and loan associations. Further, the proportion of top income class units that increased their savings accounts in savings and loan associations is greater than the proportion of savers in this asset in any other income class.

Because the size of current income and the size of wealth or net worth are so closely related, the classification of consumer units by their net worth gives much the same general picture as does the classification by current income. However, the classification by net worth produces a larger proportion in the top bracket with dissaving of \$1,000 or more. Obviously, those who have little to begin with cannot dissave as large amounts as can those with larger net worth. Even opportunities for incurring debt are limited for those with little wealth.

**Age groups.** In the youngest group of consumer units—those with heads under 35—

large savers or dissavers were infrequent. Building up their equities in homes and automobiles was important to these young units, and the two accounted for nearly three-quarters of the total saving of this group. No other age group had so large a proportion that increased their automobile equities during the year. Shifts in their status with respect to unsecured debt also were common in the youngest group; 45 per cent ended the year owing less unsecured debt than they had at the beginning, and 35 per cent ended with more unsecured debt.

Saving was largest in the 45–54 age group because of the relatively large number of units with saving between \$1,000 and \$5,000 and the relatively few dissavers. To this age group, also, building up of home and automobile equities is important, but not so important as in the under 35 and 55–64 age groups—less than 60 per cent compared with almost 75 per cent. Savings accounts were added to by the 45–54 age group in larger average amounts than by other age groups. For this age group, contributions to retirement plans were larger than for the others, though they account for only 6 per cent of total saving.

The oldest group, those with heads 65 and over, has a greater tendency than do the others to end the year without having either saved or dissaved appreciable amounts. Nearly a third of the units had little or no saving or dissaving during the year. Using up wealth accumulated when they were younger is illustrated by the 9 per cent who dissaved \$1,000 or more. The total saving of the group as a whole was small during the year, largely because of net dissaving in own homes and in investment assets. As would be expected of older people, saving in the form of increases in automobile equities was infrequent and small compared to that of

younger consumer units. Nevertheless, the oldest group continued to build up its liquid assets, chiefly savings accounts.

**Employment groups.** The self-employed and those employed by others are very different groups with respect to income and wealth. Many of the attributes of the upper income and higher net worth groups are also attributes of the self-employed. Among the self-employed, big savers and dissavers are comparatively numerous; 10 per cent of this group saved \$10,000 or more and 18 per cent dissaved \$1,000 or more during the year. For the self-employed as a group there was dissaving in businesses that averaged \$528 per consumer unit. However, there were more units with increases in their business equities than with decreases in these equities; 42 per cent were positive savers in business and 26 per cent were dissavers. Increasing home and auto equities accounted for almost half of the saving of the self-employed and increases in investment assets for about 40 per cent. As is shown in Table 3, businesses not managed by the unit are important investments for the self-employed.

The employed-by-others group, as a whole—being younger and having lower incomes and less net worth than the self-employed—

saved less. They had less, on the average, of several important kinds of saving, such as home and automobile equities, and liquid and investment assets. The employed-by-others did have more saving in retirement plans than the self-employed. Moreover, while the self-employed were repaying unsecured debt during the year, the employed-by-others were incurring more unsecured debt than they paid off.

The retired are the units with heads 65 and over having no employment during 1962. The average age for heads of consumer units classified as retired is somewhat higher than for heads of all units in the age 65 and over group, and income is much less. Because the retired are using up the savings accumulated earlier, there are relatively more dissavers among the retired than among the 65 and over group and also fewer savers of \$1,000 or more. The retired have dissaving in home equity and in investment assets, as a result of liquidation of such holdings by a small proportion of the group. They continued to build up their liquid assets, however, although they are less active in this respect than the group of all with heads 65 and over.

## Technical Notes

### DATA COLLECTION

The Survey of Changes in Family Finances used the reinterview method. Saving for the year 1963 was obtained by interviewing again in the spring of 1964 the consumer units who had cooperated a year earlier in the Survey of Financial Characteristics of Consumers. This method had been recommended by a committee on saving statistics established in the mid-1950's by the Board of Governors of the Federal Reserve System at the request of the Joint Committee on the Economic

Report. Experimental work in preparation for the survey had indicated that the reinterview method was feasible. An important added advantage of reinterview is the possibility of using net worth at the beginning of the year as a variable in the analysis of saving/income relationships.

Like the wealth survey, the saving survey has a concentration of interviews in the upper income strata. The data are weighted to give estimates for the population as a whole and for the various income, age, and employment groups. The weighting diagram took into account the income

stratum, age of head, and whether or not the respondent had moved.

The saving survey was designed to cover the 57.9 million consumer units in the civilian noninstitutional population on December 31, 1962, and the consumer units to be interviewed were as constituted on that date. Accordingly, units that changed addresses were followed, individual members that left the unit were followed, and members of the unit who died during the year were credited with saving for the portion of the year before death, but persons added to the unit by birth or marriage during the year were not included. As might be expected, the proportion of nonrespondents who moved and could not be followed was greatest in the lower income strata.

The reinterview survey yielded 2,164 respondents who gave data sufficiently complete to tabulate, 85 per cent of the 2,557 consumer units who were respondents for the wealth survey. When the number of responses in each stratum is weighted in the same way as the saving survey data the over-all response rate is 88 per cent. Starting with the original sample drawn for the wealth survey, 61 per cent participated through the sav-

ing survey, with a weighted over-all response rate of 74 per cent. The response rate was higher in the second than in the first survey as had been expected on the basis of tests made in developing the questionnaire. This experience suggests that those who had cooperated the first time had been persuaded of the value of the survey program.

In spite of the loss in the sample that occurred from the first to the second survey, the two surveys give similar results as to the wealth of the population. Mean total wealth is \$20,982 for those who participated in the wealth survey and \$20,474 for those who participated in the saving survey. The distribution of consumer units by size of wealth is not affected by the sample loss. Further, the percentages of consumer units having equity in different kinds of assets are not different.

The table shows distributions of the survey population by net worth, 1963 income, age, and employment status of the head of the consumer unit for the saving survey. The distributions by net worth and age are not different from comparable distributions of the population obtained from the wealth survey. The two surveys also yield the same distribution by size of 1962 income.

As in all sample surveys the data are subject to errors arising from the fact that they were obtained from a sample rather than from the total population, from the refusal of some to take part in the Survey, and from errors of response. While differences between aggregates based on survey means and aggregates from institutional sources are often used in evaluating survey data, problems are encountered with both sets of data in making comparisons. For example, in the flow of funds accounts the household sector includes saving by personal trusts and by nonprofit organizations, which are excluded from the Survey aggregates. A comparison of the aggregates based on this Survey with those from institutional sources as presented in the Federal Reserve flow of funds accounts will be presented and evaluated in the later report. Briefly stated, and on the basis of preliminary review, the aggregate derived from the Survey mean is larger than the estimate from institutional sources for total saving, in spite of a lower Survey estimate for saving in liquid assets. One explanation is the lower Survey estimate of dissaving in instalment debt.

Since the estimates in this report are based on

#### CHARACTERISTICS OF SURVEY POPULATION AND SAMPLE

Characteristics of consumer units	Survey population (percentage distribution)	Sample (number of consumer units)
All units.....	100	2,164
Size of net worth 12/31/62:		
Under \$1,000 <sup>1</sup> .....	28	397
\$1,000 - \$9,999.....	32	526
\$10,000 - \$24,999.....	22	427
\$25,000 - \$99,999.....	15	406
\$100,000 and over.....	2	408
1963 income:		
Negative.....	1	15
0 - \$2,999.....	26	318
\$3,000 - \$4,999.....	19	272
\$5,000 - \$7,499.....	20	346
\$7,500 - \$9,999.....	15	296
\$10,000 - \$14,999.....	14	356
\$15,000 - \$24,999.....	4	196
\$25,000 and over.....	2	365
Age of head:		
Under 35.....	22	390
35-44.....	21	456
45-54.....	20	503
55-64.....	18	468
65 and over.....	19	347
Employment status of head:		
Self-employed.....	9	442
Employed by others.....	65	1,323
Retired.....	13	193
Other.....	13	206

<sup>1</sup> Includes negative and zero net worth.

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a sample, they are subject to sampling variability. The standard error is primarily a measure of sampling variability—that is, of the variations that occur by chance because a sample rather than the whole of the population is surveyed. Standard errors for selected items tabulated in this article are presented in the table. The table shows, for

STANDARD ERRORS

Item	Mean for all units	
	Amount (in dollars)	Standard error
Total saving.....	971	119
Saving in—		
Own home (gross of debt).....	455	83
Automobile (gross of debt).....	350	21
Business, profession (farm and nonfarm).....	22	117
Portfolio of liquid and investment assets.....	300	123
Checking accounts.....	38	18
Savings accounts.....	186	44
U.S. savings bonds.....	31	21
Publicly traded stock (gross of debt).....	6	76
Marketable securities other than stock (gross of debt).....	18	22
Debt secured by own home.....	-192	72
Debt secured by stock.....	-33	39
Personal instalment debt:		
Automobile.....	14	17
Other.....	13	10
Personal noninstalment debt.....	-33	23

example, that the mean amount of saving in checking accounts for all consumer units is \$38. The standard error of this mean is given as \$18, which means that the chances are about 68 out of 100 that a complete census would have shown a figure differing from the estimate by less than \$18. The chances are 95 out of 100 that a census would have shown a figure differing from the estimate by less than \$36 (twice the standard error).

Pretesting of the forms to be used in collecting the reinterview data showed the advisability of returning to respondents with the balance sheet data they had supplied in the first interview. These data were transcribed in the new questionnaire form by the Census Bureau staff in Washington. Interview procedures in this Survey were generally like those in the wealth survey. The interview type designated for the saving interview (personal interview or self-enumeration) was that which had been used in the wealth survey; however, the interviewer could change the type if the respondent expressed a definite preference for such a change. To provide for this flexibility and to facilitate the transcription of the data from the first interview,

the same form was used for self-enumeration and for personal interviews.

Completed questionnaires were returned to the Census Bureau for transfer of the data to magnetic tape. This basic data tape was subjected to a series of computer edits prior to preparation of the tabulating tape. The edits included checks for completeness and technical errors in the saving data as well as checks for consistency within the balance sheet and saving data. Errors that had been introduced during the coding and processing of the data were corrected. The apparent inconsistencies in the data (for example, in the saving/income relationships) were left as reported in the questionnaire.

## DEFINITIONS

**SAVING** is the algebraic sum of the following components which are defined below: own home; automobile; business, profession; liquid assets; investment assets; miscellaneous assets; unsecured debt; retirement plans. The assets and debts covered in the saving concept are as defined for the wealth survey. For certain components, saving has been calculated by using the December 31, 1962, and December 31, 1963, balances supplied by the respondents in the two surveys. Other components are the net of transactions reported by the respondents in the saving survey.

**Own home.** Saving is the net of purchases of principal residences and vacation homes plus improvements less sales and less change in mortgage debt from December 31, 1962, to December 31, 1963. Improvements exclude housing maintenance or ordinary repairs as defined by the Bureau of Labor Statistics. Revaluations of assets are not counted. If a principal residence was used partly for business purposes, only the nonbusiness (personal) share is included here. Owner-occupied farm residences are not included here; they are counted as part of the farm and are included under business and profession.

**Automobile.** Saving is purchases of automobiles less trade-in allowances and sales and less change in the instalment debts secured by automobiles from December 31, 1962, to December 31, 1963. When an automobile was used for both business and personal purposes, only that portion of the saving in the automobile representing its personal use as reported by the respondent was included.



**Business, profession (farm and nonfarm).** Saving consists of the respondent's share of change in the book value of the business during the year, plus investment in new businesses, less sales of businesses, and plus change in loans made by the unit to such businesses. Farm and nonfarm sole proprietorships, partnerships, and closely held corporations in which the respondent considered himself to be active in management are included. Closely held corporations are those whose shares are owned entirely by one individual, a family, or a small number of individuals usually associated by ties of business relationships or friendship. The shares of such corporations are not considered publicly traded because there is no public market for the stocks, and any sales are usually direct and privately negotiated. Change in equity in business by self-employed professionals is also included.

**Liquid assets.** Saving consists of the following:

**CHECKING ACCOUNTS.** Saving is the change in the balances in personal checking accounts over the year. Changes in checking accounts used solely for business purposes as well as accounts that are for both personal and business use are credited to business saving.

**SAVINGS ACCOUNTS.** Saving is measured by the change in the balances in accounts over the period. Included are savings accounts in banks, shares in savings and loan and in building and loan associations, shares in credit unions, and accounts in any institution whose type was not ascertained. Savings accounts include time deposits, certificates of deposit, Christmas club accounts, and vacation accounts.

**U.S. SAVINGS BONDS.** Saving is the net of purchases of nonmarketable bonds issued by the U.S. Government minus redemptions of these bonds. Respondents were asked to report the interest on these bonds as income.

**Investment assets.** Saving consists of:

**PUBLICLY TRADED STOCK.** Saving is the net of purchases of common and preferred stock in corporations other than closely held corporations, shares in mutual funds and other investment companies, and share in investment clubs, less sales of such issues, plus change in credit balances at securities dealers from December 31, 1962, to December 31, 1963, less change in debit balances and in loans secured by these stocks over this period.

**MARKETABLE SECURITIES OTHER THAN STOCK.** Saving is the net of purchases of bills, certificates, notes, bonds, and debentures issued by the U.S. Government, by State and local governments, by foreign and domestic corporations, and by foreign governments less sales and less change from December 31, 1962, to December 31, 1963, in the debts secured by these assets.

**MORTGAGE ASSETS.** Saving is the net of amounts loaned less the principal repayments received on such loans during the year.

**INVESTMENT REAL ESTATE.** Saving is the net of purchases plus improvements less sales and less the change from December 31, 1962, to December 31, 1963, in the debt secured by such real estate. Real estate owned by the unit, other than own homes and real estate connected with a business or profession is covered here. Included are houses owned for investment purposes, properties put to commercial use, structures used for industrial purposes, and undeveloped land held for investment or building purposes.

**BUSINESS INVESTMENTS NOT MANAGED BY UNIT.** Saving is measured by new money invested less proceeds from sales plus change in money owed to the unit by such businesses from December 31, 1962, to December 31, 1963. Farm and nonfarm partnerships and closely held corporations in which no member of the unit was active in management are included.

**COMPANY SAVINGS PLANS.** Saving is the net of contributions by members of the consumer unit to deferred income plans, less lump sum withdrawals.

**Miscellaneous assets.** Saving is the net of cash put in trust for members of the unit less cash received from liquidation of such trusts, plus the net of the additional amounts loaned to individuals on nonmortgage loans less the principal payments received on such outstanding loans, plus the net of purchases and sales of "other" assets (oil royalties, patents, and commodity contracts). No effort was made to measure transactions of the trust.

**Unsecured debt.** Saving is the excess of repayments over new debt incurred during 1963 on instalment debt other than automobile debt, noninstalment debt, and debt on life insurance. Debt incurred in excess of repayments constitutes dis-saving.

**Retirement plans.** Saving in this asset is the net of individual's contributions to retirement plans less lump sum withdrawals from such plans. Social security contributions are not included.

**TOTAL DEBT** consists of debt secured by own home and by investment assets, personal debt, and debt on life insurance as described below. Included are all debts owed by members of the unit except debts owed in the name of a business. The components of debt are listed below.

**Debt secured by own home.** An increase in mortgage debt on principal residences and vacation homes from December 31, 1962, to December 31, 1963, is dissaving and a decrease, saving.

**Debt secured by investment assets.** Saving consists of the following items:

**DEBT SECURED BY STOCK.** An increase in debit balances at security dealers and loans secured by stock from December 31, 1962, to December 31, 1963, is dissaving and a decrease, saving.

*Debit balances at security dealers.* An increase in the net amounts customers owe to the broker from December 31, 1962, to December 31, 1963, is dissaving and a decrease, saving. Consumer units are classified as having either a credit or a debit balance on the basis of the netting of all balances for all members of the unit.

*Loans secured by stock.* Saving is the excess of repayments over new debt incurred during 1963 on loans with stocks used as collateral, regardless of type of lender and purpose of the loan. Debt incurred in excess of repayments constitutes dissaving.

**DEBT SECURED BY MARKETABLE SECURITIES OTHER THAN STOCK.** Saving is the excess of repayments over new debt incurred during 1963 on loans with marketable securities other than stock used as collateral, regardless of type of lender and purpose of loan. Debt incurred in excess of repayments constitutes dissaving.

**DEBT SECURED BY INVESTMENT REAL ESTATE.** An increase in the debt that was secured by mortgages on investment real estate holdings from December 31, 1962, to December 31, 1963, is dissaving and a decrease, saving.

**Personal debt.** Saving consists of saving in the form of instalment and unsecured noninstalment debts.

**INSTALMENT DEBT.** An increase from December 31, 1962, to December 31, 1963, in amounts owed for the purchase of automobiles and for other purposes on which regular instalment payments are made is dissaving and a decrease, saving. The debt may be owed to a bank, to some other financial institution (such as a sales finance company or a credit union), to a retailer (such as a department store), or to an individual.

*Automobile instalment debt.* An increase in debt secured by the automobile from December 31, 1962, to December 31, 1963, is dissaving and a decrease, saving.

*Other instalment debt.* An increase in instalment debt that is not secured by the assets included in the wealth concept of the saving survey from December 31, 1962, to December 31, 1963, is dissaving and a decrease, saving. Included here is debt incurred for the purchase of household durable goods, for home repair and modernization (unless the expenditure is financed by a mortgage loan on own home), and for other personal expenses. Budget accounts, 60- or 90-day accounts, even though the payments involved are uneven or irregular, and revolving credit plans are included, but 30-day charge accounts are not counted.

**NONINSTALMENT DEBT.** Saving is the excess of repayments over new debt incurred during 1963 on unsecured debts to doctors, hospitals, banks, other financial institutions, and private individuals in which there is agreement to repay in one lump sum or at irregular intervals over the term of the loan. Debt incurred in excess of repayments constitutes dissaving.

**Debt on life insurance.** An increase in debt secured by life insurance from December 31, 1962, to December 31, 1963, is dissaving and a decrease, saving. For purposes of the saving survey, such debts are counted as *unsecured* because the cash surrender value of life insurance policies is not included in the wealth estimate.

**NET WORTH** and **WEALTH** are measured as of December 31, 1962, and are as defined for the wealth survey.

**INCOME** is the total money income received in 1963 by all members of the consumer unit before any payroll or income tax deductions. The follow-

ing components are included: wages, salaries, commissions; net income from unincorporated businesses or professions (farm and nonfarm)—both sole proprietorships and partnerships; dividends; interest; net income from rents; pensions and social security payments; and any other periodic payments received by members of the unit. The few units who reported negative incomes during 1963 are included in the data for all units, but are not shown separately in the tables.

**CONSUMER UNITS** consist of families and unrelated individuals as defined by the Bureau of the Census. The Census definition of the term “family” is a group of two or more persons related by blood, marriage, or adoption and residing together. The term “unrelated individuals,” as defined by the Census Bureau, refers to persons (other than inmates of institutions) who are not living with any relatives. An “unrelated individual” may constitute a 1-person household by himself, or he may be part of a household including one or more other families or unrelated individuals, or he may reside in group quarters such as a rooming house.

**EMPLOYMENT STATUS** groupings are mod-

ifications of Census Bureau occupation and class-of-worker classifications. The self-employed group consists of units whose heads were active in the management of a nonfarm family business, including closely held corporations and partnerships as well as sole proprietorships, and units whose heads were professional persons reporting themselves as self-employed. Whether they had an investment of any value in their business was not a consideration in this classification.

The employed-by-others group consists of units in which the main occupation of the head was as an employee of someone else; farm laborers are not included. This group includes units with members other than the head active in the management of family businesses and units in which active management of a business was a secondary occupation of the head.

The retired group consists of units whose head was 65 years or older in 1962 and who did not work during that year.

Farm operators, farm laborers, units with head under 65 reporting no work experience during 1962, and units who did not report occupation are included in the data for all units, but are not shown as separate groups in the tables of data classified by employment status.

## SIZE AND COMPOSITION OF CONSUMER SAVING

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TABLE 1  
SIZE OF SAVING, 1963

(Percentage distribution of consumer units)

Characteristics of consumer units	All units	Saving of—					Saving or dissaving under \$100	Dissaving of—		
		\$25,000 and over	\$10,000– 24,999	\$5,000– 9,999	\$1,000– 4,999	\$100– 999		\$100– 999	\$1,000– 4,999	\$5,000 and over
All units.....	100	*	2	3	30	27	17	13	6	2
Size of net worth 12/31/62:										
Under \$1,000 <sup>1</sup> .....	100	*	*	1	15	31	34	17	2	*
\$1,000 – \$9,999.....	100	*	1	2	34	31	17	12	4	*
\$10,000 – \$24,999.....	100	*	3	3	37	27	6	12	8	3
\$25,000 – \$99,999.....	100	1	4	8	38	17	4	9	12	5
\$100,000 and over.....	100	10	15	15	23	4	5	2	10	16
1963 income:										
0 – \$2,999.....	100	*	*	*	5	23	41	23	6	1
\$3,000 – \$4,999.....	100	*	2	1	19	39	17	15	7	1
\$5,000 – \$7,499.....	100	*	1	1	35	37	9	11	5	1
\$7,500 – \$9,999.....	100	*	3	2	54	24	4	6	5	2
\$10,000 – \$14,999.....	100	*	3	9	54	17	5	6	5	2
\$15,000 – \$24,999.....	100	3	8	24	39	9	4	3	5	5
\$25,000 and over.....	100	18	17	21	20	4	*	*	6	14
Age of head:										
Under 35.....	100	*	1	3	33	32	14	12	4	*
35–44.....	100	1	2	3	35	30	11	11	5	3
45–54.....	100	*	3	3	40	23	17	8	4	2
55–64.....	100	1	1	5	25	26	15	17	8	3
65 and over.....	100	*	2	2	13	25	31	17	7	2
Employment status of head:										
Self-employed.....	100	4	6	10	29	21	4	9	12	6
Employed by others.....	100	*	1	3	36	30	13	11	4	1
Retired.....	100	*	2	1	9	23	37	20	7	2

\* Less than one-half of 1 per cent.

<sup>1</sup> Includes negative and zero net worth.

NOTE.—Details may not add to totals because of rounding.

TABLE 2  
COMPOSITION OF SAVING, 1963

Characteristics of consumer units	Total saving	Own home (equity)	Auto-mobile (equity)	Business, profession (farm and nonfarm)	Portfolio of liquid and investment assets (equity)			Retirement plans	Miscellaneous assets	Unsecured debt <sup>1</sup>
					All	Liquid assets	Investment assets			
a. Percentage having positive saving in specified forms										
All units.....	68	34	41	8	45	45	13	17	2	33
Size of net worth 12/31/62:										
Under \$1,000 <sup>2</sup> .....	58	11	40	2	28	27	3	11	1	40
\$1,000 - \$9,999.....	73	43	43	7	45	45	11	16	1	38
\$10,000 - \$24,999.....	73	52	40	11	53	53	15	23	3	31
\$25,000 - \$99,999.....	70	34	38	17	62	59	29	19	2	16
\$100,000 and over.....	67	30	33	19	59	64	37	14	7	13
1963 income:										
0 - \$2,999.....	40	9	11	3	21	21	3	*	2	22
\$3,000 - \$4,999.....	70	22	37	10	44	43	8	7	2	31
\$5,000 - \$7,499.....	77	37	52	5	51	51	12	18	1	41
\$7,500 - \$9,999.....	85	55	56	8	57	56	18	35	1	40
\$10,000 - \$14,999.....	85	58	57	13	61	63	25	35	3	38
\$15,000 - \$24,999.....	85	64	70	23	65	66	31	30	2	32
\$25,000 and over.....	79	56	43	28	66	67	44	18	5	30
Age of head:										
Under 35.....	76	35	58	6	46	45	11	15	2	45
35-44.....	77	44	51	13	47	46	15	21	2	42
45-54.....	76	45	47	9	47	49	15	24	2	36
55-64.....	62	30	31	6	45	45	16	19	2	23
65 and over.....	48	13	10	5	38	37	9	4	1	15
Employment status of head:										
Self-employed.....	71	48	43	42	52	54	25	8	3	33
Employed by others.....	77	41	51	4	49	48	14	23	1	39
Retired.....	40	11	6	1	32	30	7	2	1	13
b. Percentage having dissaving in specified forms										
All units.....	24	3	4	5	31	31	7	*	2	25
Size of net worth 12/31/62:										
Under \$1,000 <sup>2</sup> .....	25	2	7	1	22	22	1	*	*	32
\$1,000 - \$9,999.....	21	4	5	3	34	32	5	1	2	27
\$10,000 - \$24,999.....	25	4	2	6	38	36	9	*	3	23
\$25,000 - \$99,999.....	28	4	1	11	33	34	16	*	6	10
\$100,000 and over.....	32	5	1	5	40	32	31	*	5	8
1963 income:										
0 - \$2,999.....	37	2	3	4	28	28	3	*	2	18
\$3,000 - \$4,999.....	26	2	3	6	29	30	4	1	2	28
\$5,000 - \$7,499.....	21	3	6	3	32	31	6	1	2	29
\$7,500 - \$9,999.....	14	5	5	3	32	32	8	*	3	29
\$10,000 - \$14,999.....	14	6	4	4	35	32	16	*	3	19
\$15,000 - \$24,999.....	15	4	5	7	35	33	15	2	2	29
\$25,000 and over.....	20	8	1	9	34	31	25	*	6	12
Age of head:										
Under 35.....	20	3	8	3	30	31	4	1	1	35
35-44.....	20	4	6	3	34	33	7	1	2	32
45-54.....	18	4	3	5	29	27	11	*	2	22
55-64.....	31	3	3	9	30	29	8	*	4	19
65 and over.....	34	2	*	3	33	33	6	*	3	11
Employment status of head:										
Self-employed.....	28	5	3	26	37	34	15	1	3	19
Employed by others.....	20	3	6	1	32	31	7	*	2	28
Retired.....	38	2	*	1	30	32	4	*	3	14

## SIZE AND COMPOSITION OF CONSUMER SAVING

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TABLE 2 (Continued)  
COMPOSITION OF SAVING, 1963 (Continued)

Characteristics of consumer units	Total saving	Own home (equity)	Auto- mobile (equity)	Business, profession (farm and nonfarm)	Portfolio of liquid and investment assets (equity)			Retire- ment plans	Miscel- laneous assets	Un- secured debt <sup>1</sup>
					All	Liquid assets	Invest- ment assets			
c. Mean amount (in dollars) of saving in specified forms										
All units.....	971	263	364	22	300	254	46	52	-6	-23
Size of net worth 12/31/62:										
Under \$1,000 <sup>2</sup> .....	434	86	253	20	32	25	7	29	1	12
\$1,000 - \$9,999.....	875	329	307	93	115	70	45	44	-2	-10
\$10,000 - \$24,999.....	1,237	495	378	146	214	258	-43	74	-1	-67
\$25,000 - \$99,999.....	1,674	83	572	-401	1,528	805	723	77	-118	-64
\$100,000 and over.....	1,665	425	964	598	-972	1,869	-2,841	78	508	64
1963 income:										
0 - \$2,999.....	-167	-80	43	-86	29	37	-6	*	-14	-58
\$3,000 - \$4,999.....	688	119	248	143	307	78	229	3	-60	-71
\$5,000 - \$7,499.....	877	256	351	2	195	175	20	37	2	35
\$7,500 - \$9,999.....	1,112	464	451	200	-55	430	-484	101	-20	-26
\$10,000 - \$14,999.....	2,303	440	678	252	715	498	217	140	*	77
\$15,000 - \$24,999.....	3,565	1,421	1,126	-1,687	2,527	1,166	1,362	166	170	-157
\$25,000 and over.....	6,530	1,039	1,245	2,537	1,137	1,516	-378	182	261	129
Age of head:										
Under 35.....	1,132	437	398	113	152	-6	159	32	4	-5
35-44.....	1,164	234	471	-46	574	294	281	62	-8	-122
45-54.....	1,537	400	473	92	450	552	-101	88	6	28
55-64.....	871	262	363	-122	330	241	89	68	-31	1
65 and over.....	47	-59	88	53	-22	203	-225	10	-6	-15
Employment status of head:										
Self-employed.....	2,404	531	588	-528	1,607	659	947	20	103	83
Employed by others.....	1,087	344	420	70	201	231	-29	75	*	-24
Retired.....	9	-150	51	-2	118	183	-64	6	-29	18

\* Less than one-half of 1 per cent or less than one-half of \$1.

<sup>1</sup> Unsecured debt is personal debt other than automobile debt combined with debt on life insurance.<sup>2</sup> Includes negative and zero net worth.

NOTE.—Details may not add to totals because of rounding.

TABLE 3  
COMPOSITION OF SAVING IN THE FORM OF LIQUID AND INVESTMENT ASSETS, 1963

Characteristics of consumer units	Liquid assets					Investment assets (equity)					
	Check- ing ac- counts	Savings accounts			U.S. savings bonds	Publicly traded stock	Mkt. sec. other than stock	Mort- gage assets	Real estate	Busi- ness not man- aged by unit	Com- pany savings plans
		All <sup>1</sup>	In banks	In sav- ings and loan assns.							
a. Percentage having positive saving											
All units.....	27	36	27	13	11	6	1	1	5	1	2
Size of net worth 12/31/62:											
Under \$1,000 <sup>2</sup> .....	18	19	14	2	5	1	*	*	1	*	2
\$1,000 - \$9,999.....	28	34	26	9	10	4	1	*	3	*	3
\$10,000 - \$24,999.....	31	46	32	19	15	8	*	1	5	1	3
\$25,000 - \$99,999.....	36	53	43	28	16	16	1	2	12	2	1
\$100,000 and over.....	41	54	41	34	16	29	5	2	20	8	5
1963 income:											
0 - \$2,999.....	11	18	14	6	2	1	*	1	1	*	*
\$3,000 - \$4,999.....	26	28	24	8	5	4	*	1	4	*	1
\$5,000 - \$7,499.....	27	41	32	9	14	3	*	1	5	1	3
\$7,500 - \$9,999.....	34	46	30	20	16	9	1	1	6	1	4
\$10,000 - \$14,999.....	45	53	42	21	24	14	1	2	7	1	4
\$15,000 - \$24,999.....	47	58	41	32	17	20	2	1	8	4	5
\$25,000 and over.....	42	63	36	43	16	38	7	2	15	5	5
Age of head:											
Under 35.....	30	32	24	7	10	5	*	1	2	1	3
35-44.....	29	38	28	14	12	6	1	*	4	1	4
45-54.....	29	41	31	16	15	9	1	1	5	*	2
55-64.....	27	37	27	15	12	7	1	1	8	1	2
65 and over.....	21	30	25	12	4	4	1	1	5	*	*
Employment status of head:											
Self-employed.....	38	42	29	21	7	14	2	3	13	2	*
Employed by others.....	29	39	29	13	14	7	*	*	5	1	3
Retired.....	17	25	21	9	4	4	1	2	2	*	1
b. Percentage having dissaving											
All units.....	26	21	15	6	5	3	1	3	2	*	*
Size of net worth 12/31/62:											
Under \$1,000 <sup>2</sup> .....	18	11	9	1	2	1	*	*	*	*	*
\$1,000 - \$9,999.....	24	23	17	5	6	2	1	2	1	*	*
\$10,000 - \$24,999.....	29	27	20	8	7	3	*	3	3	1	1
\$25,000 - \$99,999.....	37	23	17	10	5	7	1	7	5	1	*
\$100,000 and over.....	44	20	15	11	2	22	9	13	8	4	*
1963 income:											
0 - \$2,999.....	19	15	10	3	4	1	*	2	*	*	*
\$3,000 - \$4,999.....	27	18	12	5	3	1	*	2	1	1	*
\$5,000 - \$7,499.....	28	22	16	7	5	2	1	2	2	*	1
\$7,500 - \$9,999.....	28	24	22	6	5	2	1	3	3	1	*
\$10,000 - \$14,999.....	27	26	17	10	9	9	2	5	2	*	1
\$15,000 - \$24,999.....	33	32	30	8	5	7	*	4	6	2	*
\$25,000 and over.....	38	20	21	10	4	20	3	6	10	5	*
Age of head:											
Under 35.....	27	21	15	4	6	2	*	1	1	*	*
35-44.....	26	22	17	6	4	2	1	3	2	*	1
45-54.....	24	20	16	7	5	5	1	3	3	*	*
55-64.....	27	20	15	7	4	4	1	4	2	1	*
65 and over.....	25	20	15	5	5	3	1	3	2	1	*
Employment status of head:											
Self-employed.....	30	17	13	8	2	6	1	4	6	1	*
Employed by others.....	27	23	17	6	6	3	1	3	2	*	*
Retired.....	23	18	14	4	4	2	*	3	2	1	*

## SIZE AND COMPOSITION OF CONSUMER SAVING

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TABLE 3 (Continued)  
COMPOSITION OF SAVING IN THE FORM OF LIQUID AND INVESTMENT ASSETS, 1963 (Continued)

Characteristics of consumer units	Liquid assets				Investment assets (equity)						
	Check- ing ac- counts	Savings accounts			U.S. savings bonds	Publicly traded stock	Mkt. sec. other than stock	Mort- gage assets	Real estate	Busi- ness not man- aged by unit	Com- pany savings plans
		All <sup>1</sup>	In banks	In sav- ings and loan assns.							
c. Mean amount (in dollars) of saving											
All units.....	38	186	114	61	31	-27	14	-10	15	48	8
Size of net worth 12/31/62:											
Under \$1,000 <sup>2</sup> .....	5	14	4	5	5	-4	*	5	3	*	4
\$1,000 - \$9,999.....	2	55	43	8	13	9	*	1	23	2	10
\$10,000 - \$24,999.....	76	118	53	50	63	13	2	-10	-47	-8	9
\$25,000 - \$99,999.....	40	770	509	236	-4	238	1	-23	165	337	6
\$100,000 and over.....	510	885	434	413	474	-2,805	570	-250	-306	-78	32
1963 income:											
0 - \$2,999.....	-35	79	41	47	-6	2	2	3	*	-12	*
\$3,000 - \$4,999.....	61	61	95	-42	-43	84	*	34	141	-31	2
\$5,000 - \$7,499.....	23	94	102	-21	58	16	25	-16	-9	4	3
\$7,500 - \$9,999.....	41	292	99	134	97	-333	-16	-18	-135	2	18
\$10,000 - \$14,999.....	80	362	275	82	55	59	-47	7	100	86	14
\$15,000 - \$24,999.....	187	885	517	400	94	106	-37	-71	41	1,286	39
\$25,000 and over.....	437	898	6	867	180	-683	1,289	-215	-229	-591	54
Age of head:											
Under 35.....	8	-21	6	-35	8	64	1	7	43	28	16
35-44.....	23	247	193	60	24	5	-12	-34	73	241	9
45-54.....	77	390	135	223	85	-7	-10	-15	-54	-14	3
55-64.....	48	166	135	10	28	41	89	-22	-11	-17	12
65 and over.....	37	158	112	46	8	-259	17	12	19	-11	-1
Employment status of head:											
Self-employed.....	156	471	268	193	32	205	230	-31	-17	562	*
Employed by others.....	26	164	85	63	41	-58	-7	-22	40	9	11
Retired.....	*	103	83	27	80	-80	*	72	-39	-15	1

\* Less than one-half of 1 per cent or less than one-half of \$1.

<sup>1</sup> Includes accounts in credit unions and in any institution whose type was not ascertained, not shown separately.<sup>2</sup> Includes negative and zero net worth.



TABLE 4  
COMPOSITION OF SAVING IN THE FORM OF CHANGE IN DEBT, 1963<sup>1</sup>

Characteristics of consumer units	Total debt	Debt secured by—					Personal debt					Debt on life insurance
		Own home	Investment assets				All	Instalment debt			Non-instalment debt	
			All	Stock	Mkt. sec. other than stock	Real estate		All	Auto-mobile	Other		
a. Percentage having positive saving												
All units.....	45	29	4	1	*	3	37	33	21	27	20	1
Size of net worth 12/31/62:												
Under \$1,000 <sup>2</sup> .....	44	8	*	*	*	*	44	39	23	36	27	*
\$1,000 - \$9,999.....	48	39	2	*	*	2	42	39	26	33	22	2
\$10,000 - \$24,999.....	46	42	5	1	*	5	34	30	18	23	16	2
\$25,000 - \$99,999.....	38	28	12	3	*	9	22	18	15	8	9	2
\$100,000 and over.....	34	27	12	6	*	7	14	8	7	2	10	2
1963 income:												
0 - \$2,999.....	27	6	1	1	*	1	23	19	5	16	11	*
\$3,000 - \$4,999.....	44	19	2	1	*	2	35	34	18	30	14	*
\$5,000 - \$7,499.....	47	30	4	*	*	4	43	39	27	37	28	1
\$7,500 - \$9,999.....	59	48	5	*	*	5	48	45	36	33	26	3
\$10,000 - \$14,999.....	59	51	10	2	*	7	47	41	32	27	24	3
\$15,000 - \$24,999.....	45	52	4	1	*	4	31	29	24	20	20	4
\$25,000 and over.....	48	48	15	7	*	10	28	16	12	6	23	5
Age of head:												
Under 35.....	50	28	2	*	*	2	48	46	33	42	28	1
35-44.....	56	40	5	1	*	4	49	44	28	36	24	2
45-54.....	54	40	5	1	*	5	41	35	25	25	26	3
55-64.....	37	24	6	1	*	5	27	24	12	17	13	2
65 and over.....	23	9	3	2	*	2	16	13	4	10	6	1
Employment status of head:												
Self-employed.....	50	41	11	2	*	10	35	32	21	21	18	6
Employed by others.....	51	35	4	1	*	3	44	40	28	33	25	1
Retired.....	21	7	3	2	*	1	14	12	3	9	5	*
b. Percentage having dissaving												
All units.....	27	5	2	1	*	1	27	22	13	17	17	2
Size of net worth 12/31/62:												
Under \$1,000 <sup>2</sup> .....	32	5	*	*	*	*	32	26	15	21	23	2
\$1,000 - \$9,999.....	27	7	1	*	*	1	30	25	15	20	17	2
\$10,000 - \$24,999.....	26	5	2	1	*	1	27	20	13	15	14	2
\$25,000 - \$99,999.....	22	5	6	2	1	3	17	13	9	5	8	1
\$100,000 and over.....	15	5	7	4	*	5	7	2	2	3	6	1
1963 income:												
0 - \$2,999.....	18	1	*	*	*	*	19	9	3	8	13	*
\$3,000 - \$4,999.....	26	3	1	*	*	1	29	23	11	20	19	1
\$5,000 - \$7,499.....	37	6	1	*	*	1	36	34	23	22	21	4
\$7,500 - \$9,999.....	27	8	2	1	*	2	30	26	16	23	16	4
\$10,000 - \$14,999.....	29	11	5	2	1	1	23	20	14	15	13	2
\$15,000 - \$24,999.....	39	15	5	1	*	4	42	38	31	20	17	2
\$25,000 and over.....	26	11	11	7	*	5	14	5	5	7	9	5
Age of head:												
Under 35.....	40	11	2	1	*	1	38	34	23	26	27	2
35-44.....	33	6	3	1	1	1	34	28	17	22	21	3
45-54.....	24	5	2	1	*	2	27	22	14	16	13	3
55-64.....	24	3	1	*	*	1	23	16	9	13	10	1
65 and over.....	13	1	1	*	*	1	13	6	2	4	10	*
Employment status of head:												
Self-employed.....	28	8	4	1	*	3	25	19	10	13	12	3
Employed by others.....	31	7	2	1	*	1	31	27	17	21	18	2
Retired.....	15	*	1	*	*	1	14	4	1	4	12	*

## SIZE AND COMPOSITION OF CONSUMER SAVING

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TABLE 4 (Continued)  
COMPOSITION OF SAVING IN THE FORM OF CHANGE IN DEBT, 1963<sup>1</sup> (Continued)

Characteristics of consumer units	Total debt	Debt secured by—					Personal debt					Debt on life insurance
		Own home	Investment assets				All	Instalment debt			Non-instalment debt	
			All	Stock	Mkt. sec. other than stock	Real estate		All	Auto-mobile	Other		
c. Mean amount (in dollars) of saving												
All units.....	-241	-192	-42	-33	-4	-5	-4	28	14	13	-33	-3
Size of net worth 12/31/62:												
Under \$1,000 <sup>2</sup> .....	-275	-317	*	*	*	*	50	61	28	32	-11	-10
\$1,000 - \$9,999.....	-278	-253	-27	5	*	-33	*	40	10	28	-39	*
\$10,000 - \$24,999.....	-126	-39	*	-11	*	10	-69	-36	-21	-16	-33	-18
\$25,000 - \$99,999.....	3	10	23	15	-34	41	-44	21	31	-10	-66	11
\$100,000 and over....	-1,923	-602	-1,515	-1,420	62	-158	126	125	128	-3	1	65
1963 income:												
0 - \$2,999.....	-23	17	16	12	*	3	-58	13	*	13	-72	*
\$3,000 - \$4,999.....	147	47	142	47	*	94	-43	31	27	3	-75	*
\$5,000 - \$7,499.....	1	-32	57	*	*	57	-18	-28	-60	31	10	-7
\$7,500 - \$9,999.....	-405	-339	-114	-9	*	-106	67	72	74	-2	-5	-20
\$10,000 - \$14,999.....	-362	-481	-48	-78	-41	70	157	115	88	26	41	8
\$15,000 - \$24,999.....	-2,342	-1,169	-831	-22	10	-820	-373	-220	-185	-35	-153	29
\$25,000 and over.....	-3,876	-2,538	-1,649	-2,161	101	409	404	206	181	24	197	-94
Age of head:												
Under 35.....	-960	-826	-123	-55	*	-68	9	29	-6	35	-20	-21
35-44.....	-267	-286	100	11	-27	114	-80	42	39	2	-123	-2
45-54.....	260	197	-16	26	2	-46	80	78	50	28	1	-1
55-64.....	28	25	16	9	3	2	-19	-41	-16	-26	21	5
65 and over.....	-176	22	-188	-163	3	-28	-16	23	3	20	-40	3
Employment status of head:												
Self-employed.....	-743	-796	-75	-4	23	-95	133	27	44	-17	105	-5
Employed by others.....	-225	-220	*	-5	-9	13	*	33	17	15	-34	-6
Retired.....	-212	38	-277	-218	*	-59	23	32	7	24	-9	2

\* Less than one-half of 1 per cent or less than one-half of \$1.

<sup>1</sup> Debt incurred in excess of repayments constitutes dissaving and is shown as a negative figure.<sup>2</sup> Includes negative and zero net worth.

NOTE.—Details may not add to totals because of rounding.

TABLE 5  
SOURCES AND USES OF FUNDS AND CHOICES AMONG FORMS OF SAVING, 1963  
(Percentage distribution of consumer units)

Additions	Increases in—			Withdrawals	Decreases in—		
	Savings accounts	U.S. savings bonds	Publicly traded stock		Savings accounts	U.S. savings bonds	Publicly traded stock
All units in group.....	100	100	100	All units in group.....	100	100	100
Sources of funds:				Uses of funds:			
Income.....	84	87	71	Meet living expenses.....	65	57	44
Gifts and inheritances.....	6	6	3	Pay debts.....	7	5	7
Bank accounts.....	1	2	4	Increase bank accounts.....	1	6	18
Borrowing.....	*	*	2	Invest in—			
Investments:				Own home.....	8	4	6
U.S. savings bonds.....	1	1	1	Automobile.....	6	10	4
Publicly traded stock.....	1	*	2	Business.....	1	1	1
Marketable securities other than stock.....	*	1	*	U.S. savings bonds.....	1	1	*
Life insurance, annuities, retirement funds.....	1	*	1	Publicly traded stock.....	1	2	2
Other investments.....	2	1	6	Marketable securities other than stock.....	*	2	1
Other sources.....	1	*	3	Other investments.....	4	6	10
Not ascertained.....	1	2	6	Other uses.....	3	5	1
Reasons for investing in specified assets:				Not ascertained.....	3	1	8
Safety of capital.....	12	25	5	Reasons for withdrawing funds from specified assets:			
Liquidity or marketability.....	25	3	1	No longer a good rate of return....	2	5	6
Maximum current return.....	4	3	9	Asset matured or was called for redemption.....	*	12	1
Safe, steady return.....	3	3	1	Profit taking.....	*	*	3
Safety of capital and—				Change in valuation or too risky....	1	1	14
Maximum current return.....	2	2	1	Sold this asset in order to keep other assets.....	2	6	3
Safe, steady return.....	2	1	*	Convenience, only asset held, avoid going into debt.....	72	58	27
Liquidity or marketability and—				Other.....	3	*	14
Maximum current return.....	2	*	*	Not ascertained.....	20	18	31
Safe, steady return.....	5	3	*				
Growth of capital.....	1	*	23				
Minimizing income taxes.....	*	2	*				
Diversification.....	*	*	1				
Regular saving program.....	4	39	12				
Convenience.....	18	5	6				
Other.....	2	4	8				
Not ascertained.....	19	10	32				
Units reporting increased holdings of specified assets:				Units reporting decreased holdings of specified assets:			
Per cent of all units <sup>1</sup> .....	32	10	8	Per cent of all units <sup>1</sup> .....	19	5	3
Number in sample.....	855	250	365	Number in sample.....	443	127	146

\* Less than one-half of 1 per cent.

<sup>1</sup> Percentage based on respondents' answers to questions. The percentages in Table 3 were computed from data on transactions and on changes in balances and debts.

Note.—Details may not add to totals because of rounding.